NOTING MAN OVER RECUTERMENTS AND RELEASES FROM

In recent years the Soviet economy has benefited substantially from the rapid rate of increase and the improved are structure of its labour force, which depends on the population aged 15 - 59. With agriculture stagmant, industry and other branches of the "National Economy" have absorbed virtually the whole of the natural increase and this has contributed materially to the general over-fulfillment of the Fifth Five Year Plan in spite of a shortfall in the planned increase in labour productivity. In the next two years, however, the effects of the drustic fall in the birth rate in 1940 - 42 will begin to be felt, and the annual addition to the working population, which reached its peak in 1953 will substantially decline. Moreover, the campaign for expending agriculture will soon recuire a considerable number of agricultural workers in the "new lands" so that industry vill be left with a substantially reduced share of the smaller natural increase in the working population. Estimates of the Seviet working population in 1950-60 are given in the Table at Annex. 2. The amphasis given by Bulganin and other Soviet leaders on the need for increasing labour productivity suggests that they are well aware that the maintenance of the present rate of industrial expansion cannot, as in the past, depend on shortfalls in labour productivity being made good by unplanned additions to the industrial labour force. At the same time any visifall additions to the civilian labour force by releases from the Armed I order would sertainly ease long term planning problems for the

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expansion of industry and agriculture, particularly after 1956.

- 3. The greatest additions to the civilian labour force which the Soviet leaders can presumably expect to obtain would result from the adoption of their disarmament proposals of May, 1955. About five million men were then in the Forces, of which 4.35 million were in the Army, Havy and Air Force and the rest in internal security and civil defeace. The proposed reduction in the Fighting Services to 1.5 millions would thus release 2.85 million able-bodied males for civilian employment. This number would more than compensate for the effects of the low war-time birth rates on the male population of working age in the late mineteen fifties. If the 1953 rate of increase of 1.5 million males a year could have been maintained until 1959, the total increase in 1954-59 would have been 9 million. In fact the prospect increase is only 7.3 million. & imilarly at the 1953 rate of increase, 6.6 million females would have been added to the working population in 1954-59 as against an actual prospective addition of 5.4 millions. Thus a release of 2.85 million men from the forces would not only compensate for the fall in the rate of increase in the working population in 1954-59 below its maximum 1953 rate, but would also substantially improve the quality of the labour force by increasing the proportion of able-bodied males.
- 4. The announcement of 13th August that the U.S.S.R. was to reduce her armed forces by 640,000 by mid-December will fit in conveniently with the planning of labour requirements for the 1956-60 Plan. An important feature of the announcement is that demobilised men will be found work at industrial establishments, and state and collective farms in their respective places of residence. This does not suggest that they are

immediately meeded for specially urgent tasks. About 55 per cent of the men are from the country, but although there has been considerable evidence that, with the start of the virgin lands campaign, labour is short on many collective farms, the time of their release - when agriculture will be moving towards its most inactive season - does not suggest that the measure is intended to cope with a labour orisis in agriculture.

5. Although 640,000 is only a very small proportion of the total working population, the addition of these able-bodied men, many of whom must be trained in vehicle driving and the handling of mechanical equipment, will certainly be a veloces addition to the labour force, particularly on collective farms, where the majority of workers are women and older men. Ecvertheless, if the demobilisation has been made for economic reasons, they must be regarded as part of a long term plan rather than as a measure to meet immediate labour needs.

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U.S.B.R. WORKING FOFULATION
(Aged 15-59) in millions.

Jan. 1st	Males		Issales		Heles & Issules	
	Total	Year's Increase	folal	Increases	Total	Tear's Increase
1950	52.0	1.2	66.3	1.0	118.3	2.2
1951	53.2	1.3	67.3	1.1	120.5	2.4
1952	54.5	1.4	68.4	1.0	122.9	2.4
1953	55.9	1.5	69.4	1.1	125.3	2.6
1954	57.4	1.4	70.5	1.1	127.9	2.5
1955	58,6	1.4	71.6	0.9	130.4	2.3
1956	60.2	1.4	72.5	0.9	132.7	2.3
1957	61.6	1.1	73.4	0.8	135.0	1.9
1958	62.7	1.0	74.2	0.9	136.9	1.9
1959	63.7	1.0	75.1	0.8	138.8	1.8
1960	64.7		75.9		140.6	

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